



ARIZONA STATE SENATE
Fifty-Fifth Legislature, Second Regular Session

AMENDED
FACT SHEET FOR H.B. 2473

firearms; contracts; prohibited practices

Purpose

Prohibits a public entity from entering into a contract of \$100,000 or more with a company to acquire or dispose of services, supplies, information technology or construction unless the contract includes a written certification that the company does not, and will not, discriminate against a firearm entity or firearm trade association.

Background

Current statute prohibits the state, a political subdivision of the state or an agency, board, commission or department (public entity) from entering into a contract with a value of \$100,000 or more with a company to acquire or dispose of services, supplies, information technology or construction unless the contract includes a written certification that the company is not currently engaged in, and agrees for the duration of the contract to not engage in, a boycott of goods and services from Israel. A public entity may not adopt a procurement, investment or other policy that has the effect of inducing or requiring a person or company to boycott Israel (A.R.S §§ [35-393](#) and [35-393.01](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Prohibits a public entity from entering into a contract with a value of \$100,000 or more with a company to acquire or dispose of services, supplies, information technology or construction unless the contract includes a written certification that the company does not currently, and agrees for the duration of the contract that it will not, discriminate against a firearm entity or firearm trade association.
2. Specifies that a public entity complies with the written certification requirement by including a written certification that was submitted by the company as part of the procurement process.
3. Exempts, from the written certification requirement, contracts entered into by a public entity that either:
 - a) are a sole source contract; or
 - b) the public entity does not receive a responsive bid from any company that is able to provide the written certification.

4. Prohibits a public entity from adopting a procurement, investment or other policy that has the effect of inducing or requiring a person or company to discriminate against a firearm entity or firearm trade association.
5. Specifies that the contract requirement and public entity policy prohibition do not apply to contracts entered into before the general effective date.
6. Defines *public entity* as the state, a political subdivision of the state or an agency, board, commission or department of the state or a political subdivision of the state, except a political subdivision that operates a federal reclamation project.
7. Defines *discriminate* as:
 - a) refusing to engage in the trade of any goods or services with a firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association;
 - b) refraining from continuing an existing business relationship with a firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association;
 - or
 - c) terminating an existing business relationship with a firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association.
8. Excludes, from the definition of *discriminate*:
 - a) following the established policies of a merchant, retail seller or platform that restrict or prohibit the listing or selling of ammunition, firearms or firearms accessories; and
 - b) refusing to engage in the trade of goods or services, refraining from continuing an existing business relationship or terminating an existing business relationship in order to comply with a federal, state or local law, policy, rule or regulation or for any traditional business reason that is specific to the firearm entity or firearm trade association but is not based solely on its status as a firearm entity or firearm trade association.
9. Defines *company* as an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company or other entity or business association that engages in for-profit activity and has 10 or more full-time employees.
10. Defines *firearm entity* as:
 - a) a firearm, firearm accessory or ammunition manufacturer, retailer, wholesaler, supplier and distributor; and
 - b) an indoor or outdoor shooting range.
11. Defines *firearm trade association* as any person, corporation, unincorporated association, federation, business league or professional or business organization that:
 - a) is not organized or operated for profit and for which no part of its net earning inures to the benefit of any private shareholder or individual;
 - b) is a 501(c)6 organization; and
 - c) has two or more members who are firearm, firearm accessory or ammunition manufacturers or sellers.
12. Defines *firearm*, *firearm accessory* and *ammunition*.
13. Becomes effective on the general effective date.

Amendments Adopted by Committee

1. Redefines *trade association* as a *firearm trade association* and removes *trade association* from the definition of *firearm entity*.
2. Applies the contract requirements to contracts entered into after the effective date.
3. Specifies that a public entity complies with the written certification requirement by including a company's submitted certification as part of the procurement process.
4. Exempts, from the contract prohibition, contracts entered into by a public entity that either:
 - a) is a sole source contract; or
 - b) the public entity does not receive a responsive bid from any company that is able to provide the written certification.
5. Modifies the definitions of *discriminate*, *public entity*, *ammunition*, *firearm* and *firearm accessory*.
6. Makes technical and conforming changes.

House Action

JUD	2/16/22	DP	6-4-0-0
3 rd Read	2/23/22		31-28-1

Senate Action

FIN	3/24/22	W/D	
APPROP	3/29/22	DPA	6-4-0

Prepared by Senate Research

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MG/slp